

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2462 - SB 2719**

February 20, 2018

**SUMMARY OF BILL:** Authorizes the Sevier County Commission to levy, upon the adoption of a resolution by two-thirds majority vote of the commission body, a litigation tax on all civil and criminal cases in an amount not to exceed \$100 per case to be used for certain purposes.

**ESTIMATED FISCAL IMPACT:**

**Increase Local Revenue – Exceeds \$200,000/Permissive/Sevier County**

Assumptions:

- Any action taken by the Sevier County Commission to levy a litigation tax on all civil and criminal cases in an amount not to exceed \$100 per case to be used for certain purposes is permissive.
- This legislation specifies the revenue from such a tax is required to be used for construction of a building to house legal proceedings and court system offices, renovation of the Sevier County courthouse, or to retire debt on the construction, renovation, and maintenance of such projects.
- The average litigation tax is estimated to be at least \$25 per case.
- The number of cases and the number of individuals that will have litigation taxes waived are unknown; however, it is reasonably estimated that at least 8,000 individuals will pay the special purpose litigation tax annually in Sevier County.
- The permissive recurring increase in local revenue to Sevier County is estimated to exceed \$200,000 (\$25 per case x 8,000 cases).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/amj

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